

107TH CONGRESS
1ST SESSION

H. R. 589

To provide for the full funding of the Pell Grant Program.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 13, 2001

Mrs. MINK of Hawaii introduced the following bill; which was referred to the
Committee on Education and the Workforce

A BILL

To provide for the full funding of the Pell Grant Program.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Pell Grant Full Fund-
5 ing Act”.

6 **SEC. 2. FULL FUNDING OF PELL GRANT AWARDS.**

7 Subsection (g) of section 401 of the Higher Edu-
8 cation Act of 1965 (20 U.S.C. 1070a(g)) is amended to
9 read as follows:

10 “(g) **ADJUSTMENTS FOR INSUFFICIENT APPROPRIA-**
11 **TIONS.—**

1 “(1) FISCAL YEARS 2002 AND 2003.—(A) If, for
2 fiscal years 2002 and 2003, the funds appropriated
3 for payments under this subpart are insufficient to
4 satisfy fully all entitlements, as calculated under
5 subsection (b), the amount paid with respect to each
6 entitlement shall be—

7 “(i) the full amount for any student whose
8 expected family contribution is \$400 or less; or

9 “(ii) a percentage of that entitlement, as
10 determined in accordance with a schedule of re-
11 ductions established by the Secretary for this
12 purpose, for any student whose expected family
13 contribution is more than \$400.

14 “(B) Any schedule established by the Secretary
15 for the purpose of subparagraph (A)(ii) of this sub-
16 section shall contain a single linear reduction for-
17 mula in which the percentage reduction increases
18 uniformly as the entitlement decreases, and shall
19 provide that if an entitlement is reduced to less than
20 \$200, no payment shall be made.

21 “(2) SUCCEEDING FISCAL YEARS.—(A) For fis-
22 cal year 2004 or any succeeding fiscal year, each in-
23 stitution of higher education which has an agree-
24 ment with the Secretary under subparagraph (C) of
25 this paragraph—

1 “(i) shall make awards to its eligible stu-
2 dents in the full amount to which such student
3 is entitled under this subpart;

4 “(ii) shall, except as provided in subpara-
5 graph (E), credit the amounts of such awards
6 toward the tuition, fees, room and board, and
7 other expenses incurred by the eligible student;
8 and

9 “(iii) shall submit vouchers for reimburse-
10 ment of such awards at such time, in such
11 form, and containing or accompanied by such
12 information as the Secretary may require by
13 regulation.

14 “(B) The Secretary shall reimburse each insti-
15 tution submitting a voucher under subparagraph
16 (A)(iii) for the full amount of the awards credited by
17 such institution to eligible students as required by
18 subparagraph (A)(ii).

19 “(C) Each institution desiring to provide grants
20 under this subpart to its eligible students shall enter
21 into an agreement with the Secretary for purposes
22 of this subsection. Such agreement shall—

23 “(i) specify the conditions with which the
24 institution shall comply to obtain reimburse-
25 ments under this subsection;

1 “(ii) specify the obligations of the Sec-
2 retary with respect to such reimbursements;
3 and

4 “(iii) contain such additional terms and
5 conditions as the Secretary may require by reg-
6 ulation.

7 “(D) An institution which—

8 “(i) has entered into an agreement with
9 the Secretary under subparagraph (C);

10 “(ii) has awarded grants to eligible stu-
11 dents in accordance with this subpart; and

12 “(iii) credited such awards in accordance
13 with subparagraph (A)(ii) of this subsection;

14 shall be deemed to have a contractual right against
15 the United States to receive reimbursement accord-
16 ing to the provisions of this subsection. Such reim-
17 bursements shall, for purposes of chapter 39 of title
18 31, United States Code, be considered to be pay-
19 ments made for the acquisition of services by con-
20 tract with the Department.

21 “(E) In the case of a student who does not re-
22 side in institutionally owned or operated housing and
23 whose basic grant exceeds the amount of the tuition
24 and fees owed by that student, the institution shall
25 pay such excess to such student in accordance with

1 procedures as may be prescribed by the Secretary.
2 For purposes of subparagraph (D)(iii), any amounts
3 so paid shall be treated as amounts credited in ac-
4 cordance with subparagraph (A)(ii), and may be
5 used by such student to cover room, board, transpor-
6 tation, child care, books, and other costs of attend-
7 ance.”.

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